

Amendment No. 1 to HB2760

Lynn  
Signature of Sponsor

**AMEND Senate Bill No. 2677**

**House Bill No. 2760\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 5, is amended by adding the following new sections:

**67-6-543.**

(a) Dealers with a physical presence in this state shall register with the department to collect and remit tax in accordance with this chapter.

(b) Dealers with no physical presence in this state shall register with the department to collect and remit tax in accordance with this chapter if the dealer engages in the regular or systematic solicitation of consumers in this state through any means and made sales that exceeded one hundred thousand dollars (\$100,000), or two hundred (200) or more separate sales transactions, to consumers in this state during the previous twelve-month period. Such dealers shall begin to collect and remit the tax by the first day of the third calendar month following the month in which this threshold was met; provided, however, that this subsection (b) does not require a dealer to collect the tax for sales made before October 1, 2020.

**67-6-544.**

The general assembly finds that the sales threshold standard required by § 67-6-543(b) matches the benchmark established by South Dakota that was analyzed and found to support it being upheld as constitutional by the supreme court of the United States in *South Dakota v. Wayfair*, 138 S.Ct. 2080 (2018).

**67-6-545.**

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Section 67-6-543 does not change the substantial nexus criteria for determining when a person is required to pay the business tax under § 67-4-717, excise tax under § 67-4-2007, or franchise tax under § 67-4-2105.

SECTION 2. Tennessee Code Annotated, Section 67-6-501(a), is amended by deleting the language "Every dealer making sales" and substituting instead the language "Except as otherwise provided in § 67-6-543(b), every dealer making sales".

SECTION 3. Tennessee Code Annotated, Section 67-6-501(f)(1), is amended by deleting the following language:

The marketplace facilitator made or facilitated total sales to consumers in this state of five hundred thousand dollars (\$500,000) or less during the previous twelve-month period;

and substituting instead the following:

The marketplace facilitator made or facilitated total sales to consumers in this state of one hundred thousand dollars (\$100,000) or less during the previous twelve-month period;

SECTION 4. Tennessee Code Annotated, Section 67-6-509(a), is amended by deleting the language "An out-of-state person making sales in Tennessee, who cannot be required to register for sales and use tax under applicable law" and substituting instead the language "An out-of-state person making sales in Tennessee, who is not required to register for sales and use tax under applicable law".

SECTION 5. Tennessee Code Annotated, Section 67-4-3204(c), is amended by deleting the subsection in its entirety.

SECTION 6. This act shall take effect at 12:01 a.m. on October 1, 2020, the public welfare requiring it.